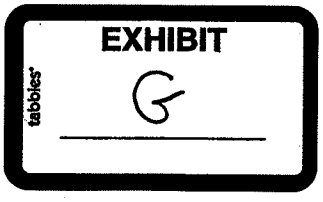
Value of MCLM AMTS Site-Based Licenses at Time of Assignment from Mobex

License Call Sign	Market Name	MHz-Pops taken from page 4 of Spectrum Bridge, Inc. "Prospectus for Nationwide 200 MHz Spectrum Portfolio" dated October 2008
WRV374	Northern Atlantic	29,601,387
WRV374	Mid-Atlantic	26,693,192
WRV374	Southern Atlantic	15,608,106
WHG693, WHG701-754, WRD580	Mississippi River (A&B)	60,411,569
KUF732, KPB531 & KCE278	Great Lakes	28,921,713
KAE889	Southern Pacific	28,714,497
KAE889	Northern Pacific	7,519,115
	Total	197,469,579

At the time of the assignment of the AMTS site-based licenses between MCLM and Mobex, the following is a reasonable valuation of the licenses listed in the chart above:

In the "Greene v. Mobex" court case, John Reardon said in a February 2002 declaration that Mobex's portion of the AMTS site-based licenses was worth over $160 million (See Attachment 1 hereto that contains John Reardon's declaration from that court case and the section indicated by the red bars in the margin). And in another declaration in that same court case (Attachment 2 hereto, also see the section with red bars in the margin), John Reardon stated that Mobex's portion of the AMTS licenses was 85%, and that Nextel's portion was 15%. Thus, that means the AMTS licenses had a total value of over $188 million.

The assignment of authorization application between MCLM and Mobex, File No. 0002197542, was submitted on June 13, 2005 to the FCC. Thus, at least 3.25 years passed from the date of Mr. Reardon's valuation in early 2002 to the submission of the MCLM and Mobex assignment application in 2005. There were some improvements in the price of the spectrum during that period because of improvements in the AMTS rules and rule relief, improvements in technology and equipment, and the auctions of AMTS geographic licenses that increased interest in AMTS by utilities and other companies. Based upon SkyTel's experience in the market, along with expert advice, it would be reasonable to assume at least an annual increase in spectrum value of 10% per year during that 3.25-year period. Therefore, using Mr. Reardon's starting value of $188 million in 2002 and adding on 10%/year for 3.25 years, **the Mobex AMTS spectrum, at time of submission of the assignment application in 2005, had a value of at least $256.5 million.**



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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

WILLARD J. GREENE, MICHAEL SARINA and GARRISON MACRI, Plaintiffs, vs. MOBEX COMMUNICATIONS, INC., and Does 1-50, Defendants.	Case No. C01-3592 CRB DECLARATION OF JOHN REARDON IN SUPPORT OF DEFENDANT MOBEX COMMUNICATIONS, INC.'S REPLY TO PLAINTIFFS OPPOSITION AND IN OPPOSITION TO PLAINTIFFS' CROSS MOTION FOR SUMMARY ADJUDICATION Date: February 22, 2002 Time: 10:00 a.m. Courtroom: 8, 19th Floor Complaint Filed: September 21, 2001 Trial Date: March 18, 2002

I, JOHN REARDON, declare as follows:

1. Since January 1, 2001, I have served as President and CEO of Mobex Communications, Inc., the defendant in the above-referenced case ("Mobex" or "Defendant"). Prior to that, I served as General Counsel and Vice President of Human Resources for the period October 1997 through December 31, 2000. As such, have personal knowledge of the facts and matters set forth in this declaration. If called upon to testify regarding the following facts, I could and would competently do so.

2. In their Declarations attached to Plaintiffs' Memorandum of Points and

Authorities in Opposition to Defendant Mobex Communications, Inc.'s Motion for Summary Adjudication and in Support of Plaintiffs' Cross Motion for Summary Adjudication, Plaintiffs Greene, Macri and Sarina make several statements, which are not accurate.

3. Plaintiff Sarina, our former CFO, misleadingly states in Paragraph 8 that the total proceeds of asset sales during the covered period (June 2000 through June 30, 2001) were $120,997,000). This is simply not correct. In fact, Mobex received less than $100 Million as a result of the Nextel Asset Purchase Agreement, with the remainder of the original $105 Million purchase price either not paid by Nextel due to lack of delivery of licenses, or paid directly to third parties, including broker's, HBS LLC and Idagon LLC. Of the asset sale proceeds received by Mobex, one third party, known as ParWatt, Inc., was entitled to 20% of the proceeds of the South Carolina license sale. Mobex has paid ParWatt just over $1.3 Million, of which $329,000 was paid in cash and a Note for $975,000 issued for the balance. Thus, Mr. Sarina's net sales proceeds calculation fails to fully account for several payments which reduce Mobex's net sales proceeds.

4. Moreover, Mr. Sarina informed both me and Mobex's Board in April 2001 that the intercompany transfer of towers for $5.7 Million would not be included as a covered transaction under the Participation Plan because it involved no third party transaction and no negotiation: at the end of the day, Mobex simply moved 50 towers from one controlled subsidiary to another, and moved $5.7 Million (the book value of the towers) from one controlled subsidiary to another. Mobex has, in fact, retained a broker to sell these 50 towers to a third party during the year 2002, but has yet to do so. The proceeds of such a future sale will be outside the covered transaction period. Yet, Plaintiff Sarina would have the Court treat this as sales proceeds, despite the fact that the Company did not receive any more funds than it already held in its control. Even if the Court agrees with his contention that it should be a covered transaction, the most the transaction should be counted for is 15% of the $5.7 Million transfer, which signifies the 15% ownership position of Nextel in the AMTS subsidiary known as Mobex Network Services Company.

5. Mr. Sarina labels the tower transfer as a $5.9 Million transfer, when in fact it was $5.7 Million. Next, Mr. Sarina states that $64 Million was used for bank debt payments, when in fact $73 Million was paid off as bank debt.

6. Mr. Sarina further misstates in paragraphs 8 and 29 that $325,000 was used to pay me a "Retained Proceeds Bonus." This is not true. As my November 2000 letter agreement with Mobex shows (which I can produce subject to such protective order as the Court may deem appropriate), I entered a new compensation agreement with the Board of Directors of Mobex in November 2000. This new package superseded my prior agreement, and was codified in exchange for my agreement to attain the responsibilities of President and Chief Executive Officer of the Company effective January 1, 2001. The bonus paid to me was neither a Retained Proceeds Bonus nor a Distributed Proceeds Bonus; it was instead a flat, predetermined amount and was due on a predetermined date. Thus, Mr. Sarina mischaracterizes the nature of my payment and ignores the fact that my terms were different than the other executives' terms.

7. Despite his contention in Paragraph 28, my bonus was not based upon any calculation Mr. Sarina performed, it was instead based upon a predetermined amount, negotiated between myself and the Board several months in advance of the closing of the transactions covered by the other executives' plans. Moreover, I did not tell Mr. Sarina about my bonus, instead, he learned it from a third party, whom I believe to be Shelly Roberts of our Boise accounting office, who reported to Mr. Sarina. Only when confronted in July 2001 with his knowledge of my payment did I reveal that I had been paid this amount. Frankly, I consider it to be none of his business, and not relevant to the interpretation of the Plaintiffs contracts at issue in this case, -- since those agreements are different than my own agreement.

8. Mr. Sarina states in paragraph 8 that over $13 Million was received from the sale of the sales and service shops. This is simply not the case. In fact, Mobex received slightly more than $2 Million in cash from the CTA sale, with the remainder of payments in the form of either assumption of accounts payable, issuance of debt ($900,000 in the case of

CTA), and assumption of approximately $1.5 Million in third party debt, with Mobex as the guarantor. Mr. Sarina knows that until Mobex is paid the debt by CTA, those amounts cannot be considered sale proceeds. In fact, he stated in an e-mail to me over the Summer of 2001 that he doubts CTA will ever pay this $900,000 debt to Mobex. Similarly, if CTA defaults on the approximately $1.5 Million in third party debt it is paying on Mobex's behalf, Mobex will be liable as the guarantor of that debt, to pay those amounts to third parties. Thus, it is premature to count at least $2.4 Million of the shop sale price as received proceeds. This is one reason why Mobex offered the individuals promissory notes, because Mobex itself has yet to receive the balance of these purchase price funds.

9. Moreover, Mr. Sarina participated in a CTA settlement agreement that reduced the amount of proceeds from the sale to CTA by more than $300,000. That settlement agreement has been produced in this litigation. Again, it is an item known to Mr. Sarina, and it reduces Mr. Sarina's calculation of sales proceeds by a considerable margin. Mr. Sarina also overstates the Lanesville property sales price by approximately $15,000. This sale occurred while he was employed with Mobex, and he knows the proper amount, but once again he failed to correct his calculation, -- even now when he is under oath.

10. Whether the court agrees with Defendants that a Distributed Proceeds Bonus was appropriate, or whether it determines a Retained Proceeds Bonus is due, the net sales proceeds figure is used to calculate either bonus. Mr. Sarina's Net Sales Proceeds calculations are simply not accurate. On the one hand, he protests in his declaration that he did not have the documents to determine the amount. On the other hand, he admits in paragraphs 14 and 15 to retaining his home office documents after he left the employment of Mobex. Clearly, he knew the correct amounts paid, and chose to overstate the net sales proceeds resulting in a potentially larger bonus for him and other plaintiffs. To summarize, he substantially overstated the net sales proceeds by: underestimating the $73 Million bank debt, undercounting the Watts settlement; overstating the sales proceeds from shop sales, misconstruing the relevance of the tower transfer and overstating the price of that transfer

by $200,000, overstating the Lanesville net sales price, and ignoring the CTA settlement agreement in which he participated actively.

11. Mr. Sarina also claims that the Nextel closing occurred on April 30, 2001. He knows full well that Nextel did not agree to a partial closing with Mobex until May 1, 2001. In fact, Mobex had to set aside $500,000 in escrow because it did not yet have all the required tax clearances to proceed to closing that May 1st afternoon, so Nextel agreed to waive the requirement provided Mobex place $500,000 in escrow pending delivery of that closing obligation.

12. It makes no sense for Mr. Sarina to suggest that Mobex somehow convinced Nextel to delay a closing so those executives would not be employed on the closing date. Nextel is a sophisticated, publicly traded company, and does not operate in such a manner. Nor does Mobex. Plaintiffs show absolutely no evidence to back up their supposition. In fact, in March of 2001 Plaintiff Sarina and I agreed that his last day would be April 30th. Plaintiff Sarina even admits in paragraph 43 that at this time, in March 2001, the Nextel closing was slated to occur on April 4, 2001. In other words, the date we mutually agreed upon for his last day was a few weeks after the planned Nextel closing date. Similarly, Plaintiff Sarina notes in Paragraph 43 that Mr. Macri and I agreed on March 7, 2001 that Mr. Macri's last day would be April 30, 2001, several weeks after the planned April 4th Nextel closing.

13. Like any mere mortal, I do not have control over future events, such as receipt of tax clearances or governmental approvals, letters of good standing, etc. I could not have foreseen that the Nextel closing would occur on May 1st any more than I could foresee Nextel agreeing to waive its receipt of some tax clearances on May 1, 2001 so that we could proceed to a partial closing that afternoon. These things were simply out of my control. Mr. Sarina's claim is contrary to logic, as well. Mobex was spending $22,000 per day on bank debt interest, so I wanted to close the Nextel transaction and pay off the bank debt as fast as humanly possible, and that is just what we did: close as quickly as we could.

14. In paragraph 12, Mr. Sarina claims Mobex sold more than ½ of the assets. This is not true. When Plaintiffs signed the employment agreements in June 2000, Mobex owned towers, AMTS licenses and its MMSC business, all of which Mobex still owns today. I have estimated that Mobex's portion of the AMTS licenses is worth over $160 Million. The MMSC business is worth $12.5 Million, based upon the latest audited numbers, and we have tower offers for our 78 towers which range between $19 and $22 Million. Thus, we may have sold around $110 Million worth of assets since June 2000, but that is certainly much less than what we continue to own in the AMTS licenses, MMSC business and towers.

15. Even if Mr. Sarina is correct, we did not sell half the assets while he and the other Plaintiffs were employed. There is no open ended commitment by the company that if it sells more than half the assets, the Plaintiffs are entitled to additional severance. Thus, if we sold our company tomorrow, we would not be obligated to pay them for change of control provisions any more than we are obligated for a sale which happened in May 2001. Thus, even if Mr. Sarina's calculations were correct of the value of our remaining assets, it is not relevant because none of the Plaintiffs were employees on May 1, 2001, when Nextel agreed to a partial closing of the Asset Purchase Agreement. Unless and until a closing occurs, no property has been conveyed.

16. In paragraph 15, Mr. Sarina again misstates the facts when he claims "at no time did Mobex propose a consulting contract." Quite to the contrary, Mobex has provided to the Court its April 2001 letter to Mr. Sarina proposing a consulting agreement. Mr. Sarina portrayed himself to third parties as our consultant, and billed and received payment for such services at the agreed-upon rate during the three months following termination of his employment relationship with the Company.

17. In paragraph 18, Mr. Sarina claims I asked him to calculate a Retained Proceeds Bonus, when in fact I asked him to calculate the net sales proceeds, which is used under either formula. His claim is directly contradicted by paragraph 19 of his declaration in the Declaration of Michael Sarina in Support of Plaintiffs' Writ of Attachment filed in

this case.

18. In paragraph 19, Mr. Sarina states he was not aware that Mobex had finalized the intercompany tower transfer. Again, this is false, Mr. Sarina was in regular contact with me and other accounting officials, and I informed him of this fact on more than one occasion. The Bill of Sale is dated April 2001 and shows $5.7 Million as the transfer amount so that, contrary to his claims, at no time did I ask him to use $5.9 Million as the price of the tower transfer. This is simply his attempt to cover up for the fact that he overstated this amount in the net sales proceeds document he provided to me, our auditors and outside counsel. Since I received a flat bonus amount, I did not stand to benefit from any inflation of the net sales proceeds amount. Mr. Sarina, however, did stand to benefit, and when the Company used his calculation of net sales proceeds to calculate the Distributed Proceeds Bonus, the Company relied upon his inflated calculations, to its detriment and has suffered damages as a result.

19. At no time did I ask Mr. Sarina to fax a calculation of net sales proceeds for $42 Million to any third party. In fact, I contacted Mr. Hammon at Deloitte and Touche after I learned Mike Sarina had sent him both the $36 Million calculation and the $42 Million calculation of net sales proceeds. I informed Mr. Hammon that Mr. Sarina's addition of the intercompany tower transfer item was not a third party transaction, and should not be included. So, Mr. Hammon should review the first document he received, which was the $36 Million amount.

20. Mr. Sarina claims that I told him the tower transfer was a covered transaction. Again, this is not true. To the contrary, Mike Sarina and I both proposed this transfer to the Board and informed them that it would not be a covered transaction,-- and that view I shared with Mr. Sarina at all times. In fact, had Mobex believed it would need to pay a significant bonus to its executives as a result of moving assets from one controlled subsidiary to another, it would not have done so, or it would have waited until after the June 30, 2001 expiration date for covered transactions. This is logical.

21. The bonus plan was set in place to incentivize executives to sell assets to

third parties, i.e., to find buyers for assets, conduct negotiations, enter into bona fide transactions with third parties, and thereby enrich Mobex and its stockholders which include the plaintiffs. No such sales or negotiation efforts were made as part of the intercompany transfer. It was not a bona fide third party transaction. Had we negotiated and sold the towers to an outside party, then clearly that would be a covered transaction. We did not do so, however, and Plaintiff Sarina is mistaken in his assertion in Paragraphs 19 and 20 that I considered this to be a covered transaction. I never did.

22. Mr. Sarina in Paragraph 26 attempts to deny that his e-mail to me stated the Board had discretion to determine whether a Distributed Proceeds or Retained Proceeds Bonus was due given that one of the topics of the e-mail was the Schedule A attached the plaintiffs employment agreements that summarizes the bonus terms. The ambiguous language of the e-mail speaks for itself: Mr. Sarina admits that the Board has discretion to make the choice and the only difference is "the equity percentage times the net proceeds vs. the 1% times the net proceeds."

23. Mr. Sarina seems to argue in Paragraph 27 that no distribution could occur because there was not sufficient funds, according to him, to pay the Series G shareholders off completely. This assertion misses the point that the employment obligations are debt, which debt gets paid before any distribution to shareholders is due. It is immaterial that proceeds may not exist to pay off each and every shareholder,-- a company can distribute funds to preferred shareholders nonetheless. What is important is that the Company has discretion under the Participation Plan to determine that it will use the proceeds remaining after the debt to the employees is paid, if any are remaining, to distribute those to shareholders on the basis of their rank among the capital structure of the company. It does not stipulate in any document of the company, including the employment agreements, that that all shareholders must be paid off completely in order to perform a distribution. To the contrary, distributions can be limited to preferential series of shareholders, and can be partial distributions as well.

24. Because significant proceeds from sales are subject to payment over time in

the form of debt issued by buyers and third party debt payments assumed by buyers, Mobex will likely not make a distribution until those debts are discharged in full by the Buyers. In addition, indemnification provisions exist in the various purchase agreements which could require Mobex to return significant amounts of sales proceeds. For example, if Nextel determines that Mobex incorrectly delivered a license, or a license was not constructed in time, etc. then Nextel could demand repayment of that portion of its purchase price. Thus, it is premature at best for Mr. Sarina in paragraph 28 to state that Mobex has received and retained its sales proceeds with any finality.

25. In paragraph 30, Mr. Sarina places importance on the assets held by Mobex in February 2000. This date is irrelevant, since Mobex and Plaintiffs entered into the employment agreements in June 2000, not February 2000. The assets acquired by Mobex in April and May of 2000 consisted of the many AMTS licenses and towers which Mobex still retains today. Thus, Mr. Sarina is incorrect in his assertion that Mobex has sold half of its assets. The relevant time period is June 2000 through June 30, 2001. Mobex retains more than half the assets it held in June 2000.

26. In Paragraphs 35 and 37, Mr. Sarina seems to indicate the value of our AMTS licenses is $15-$20 Million. He attaches a confidential document prepared by a third party and apparently obtained by him surreptitiously. By disclosing proprietary information which the Company is bound by non-disclosure terms to protect, Mr. Sarina has violated the confidentiality provisions contained in his own employment agreement. In addition, Mr. Sarina relies upon a summary by a consultant, which summary was and never has been agreed with by Mobex or others. In fact, any would-be buyer knows that in an effort to obtain a low price for assets, the first offer is always far below reasonable values. When we sold the 800/900 MHz licenses to Nextel, we negotiated a total purchase price in the contract of $105 Million. Yet a third party consultant estimated the value at between $30 and $35 Million. In fact, Nextel's first offers were close to this range $35 Million range. So, negotiations and initial offers are of limited relevance to the true value of the assets.

27. Mobex has no agreement with any third party along the lines discussed in the document produced by Mr. Sarina. I believe that Mr. Sarina, as both a CPA and former officer of the Company, has committed statutory and contractual violations by using clearly marked proprietary information in such a public manner, and Mobex will ask Mr. Sarina under oath to divulge the source of this confidential information and will hold him accountable for any damage caused to Mobex by his unwarranted disclosure of this information.

28. In paragraphs 36 and 38, Mr. Sarina admits supplying a liquidation analysis to Mobex. Yet, he claims, the value of the company is low. On May 23, 2001, Mr. Sarina supplied a liquidation analysis which shows various scenarios for Mobex's remaining assets, the towers, AMTS and MMSC. These scenarios include valuations in excess of $200 Million. Whether all shareholders are paid off or not is simply irrelevant to the fact that more than half the June 2000 assets remain in Mobex today.

29. In paragraph 41, Mr. Sarina misstates our conversation. He claims that since we were moving our accounting function to Jeffersonville, Indiana, "I did not think Mobex could justify having a CFO located 2000 miles away" in San Francisco. What Mr. Sarina leaves out is the fact that he was offered the ability to move to either Washington, DC, where my offices were located, or Jeffersonville, Indiana, and that he declined. The main reason for his refusal was that his son was entering his final year of high school. In fact, Mr. Sarina told me that if we still needed a CFO in May 2002, he would be willing to relocate to Washington, DC since he and his wife, Peg, liked the East Coast. In fact, when Mr. Sarina decided to leave the Company, we made it very amenable for him to do so, agreeing to pay him severance as if his employment had been terminated "for cause" and paying him his retention bonus, merit bonus for 2000, and keeping him on as a consultant for three months. And, of course, we offered to pay him his Distributed Proceeds Bonus, which he of course declined to accept.

30. Mr. Greene did not want to work for me since I had been appointed as the President and CEO, and not Mr. Greene. Mr. Greene informed me of this in early January

2001, and we arranged for an amicable parting of the ways. Thus, the claim in paragraphs 44 and 45 that I let Mr. Greene go for lack of consensus with a business plan is not correct.

31. I did not express dissatisfaction with Mr. Giuliano's compensation, despite Mr. Sarina's claim in paragraph 48 to the contrary. Either way, my likes and dislikes are irrelevant for the case at hand.

32. I did not coerce Mr. Sarina, nor did I promise to "maximize his cash payment", as he suggests in paragraphs 50 and 51.

33. Mr. Greene's declaration is similarly full of sound and fury, signifying nothing. I did not have the authority to determine whether Mr. Greene would receive his merit bonus or not for the year 2000. Even if Mr. Greene's allegation were true that I said I would recommend him for such a bonus, I am not the decisionmaker in this matter, and it is clear from Mr. Greene's employment agreement that the Compensation Committee determines this matter, in its sole discretion. Thus, his statement in paragraph 9 that I confirmed the payment of his merit bonus is simply not true. As I learned more about the state of the Los Angeles operation that Mr. Greene oversaw, my view of his performance deteriorated. I recommended to Mr. Monier and the Compensation Committee that Mr. Greene not receive his merit bonus simply due to the fact that I learned the business had lost nearly $1 Million in the Los Angeles market in the year 2000.

34. In paragraph 10, Mr. Greene addresses the reasons for his departure. Again, he told me he could not work for me since I was now the President and CEO, and I arranged for a departure which allowed him to receive severance payments as if his employment had been terminated "without cause." Mr. Greene informed me that he could not afford to resign because he needed the severance money. I informed the employees that his departure was a cost cutting move simply to be gracious toward Mr. Greene, and enable him to leave with dignity and his head held high.

35. Paragraphs 11 and 12 are mischaracterizations of the truth. In fact, Mr. Greene did not perform to expectations of the Company and the Compensation Committee denied him his merit bonus. I told Mr. Greene on our May 2001 conference call with him

and Mike Monier that I informed the Compensation Committee that as a result of his leadership, or lack thereof, the prior year, our Los Angeles operation was burning through cash at the rate of $1 Million a year. We subsequently closed down the Los Angeles office and transferred the operations functions to Indiana, so we still serve our Los Angeles customers, but at greatly reduced cost.

36. Mr. Greene complains about the Cooper transaction as a basis for lack of award by the Committee of his merit bonus. Again, the bonus is discretionary, not an entitlement. This is a meritocracy. Mr. Greene even admits that he made cash offers to Mr. Cooper which Mobex did not have the wherewithal to do. Thus, when I took over the negotiations, we were already at a disadvantage, and I offered Mr. Cooper significant amounts of stock rather than cash. Had Mr. Greene offered more stock and less cash, perhaps he would have had better luck. In any event, the bottom line is that he failed to deliver the Cooper transaction.

37. In paragraph 21, Mr. Greene states that he would like Mobex to pay him additional severance because he "only received 8 months of severance" and he wants credit for serving a partial year, i.e. he wants 9/12's of a month more. The contract does not call for partial year payments, it speaks in terms of whole years of employment.

38. Mr. Macri's declaration is disappointing for me personally. He signed a letter dated April 5, 2001, evidencing our separation agreement, and he now states in paragraph 14 that he was coerced by me. Nothing could be further from the truth. Mike Sarina did not sign, and he got paid his bonus. Again, I do not have authority to pay or withhold bonuses awarded by the Compensation Committee. If Garrison Macri felt pressured or coerced, he is sophisticated enough given that he was an executive of a multi-million dollar company to either consult counsel or memorialize it in contemporaneous notes, writings, e-mails, etc. None of this evidence exists because his allegation of coercion is false. It never happened.

39. His assertion that I not inform Mr. Greene is accurate only in part. I reminded Mr. Macri to keep confidential the matters relating to his compensation, including

the existence of the Participation Plan, because there were many employees who were not treated so generously as the top executives like Mr. Macri. However, I never told Mr. Macri that he would risk losing his rights to payments contained in his employment agreement. Again, that was not within my authority, nor do I behave in that manner. To the contrary, I wrote a glowing recommendation for Mr. Macri's use in seeking employment and I exchanged very cordial e-mails with him throughout the April and May 2001 timeframe. If he felt so threatened and coerced, as he now claims, I find it curious that there is no written evidence to support his assertions and I find it equally curious why he would ask me to write him a recommendation, which I did.

40. From the period of December 31, 1999, through May 31, 2001, there was no merger or combination of Mobex with another corporation, a sale of a majority of the outstanding shares of the capital stock of Mobex to one or more persons or entities not affiliated with Mobex, or a sale of more than one-half of the assets of Mobex to one or more persons or entities not affiliated with Mobex within the meaning of those transactions in Section 3.8.3 of each the plaintiffs' employment agreements.

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The undersigned declares under penalty of perjury under the laws of California that the foregoing is true and correct. Executed on February 14, 2002 in San Francisco, California.

John Reardon

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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

WILLARD J. GREENE, MICHAEL SARINA and GARRISON MACRI,

Plaintiffs,

vs.

MOBEX COMMUNICATIONS, INC., and Does 1-50,

Defendants.

Case No. C01-3592 CRB

DECLARATION OF JOHN REARDON IN SUPPORT OF DEFENDANT MOBEX COMMUNICATIONS, INC.'S MOTION FOR SUMMARY ADJUDICATION

Date: March 1, 2002
Time: 10:00 a.m.
Courtroom: 8, 19th Floor

Complaint Filed: September 21, 2001
Trial Date: March 4, 2002

I, JOHN REARDON, declare as follows:

1. I have been employed with Mobex Communications, Inc. ("Mobex"), the defendant in the above-referenced case ("Defendant") since October 1997. From October 1997 to December 31, 2000, my position was General Counsel and Vice President of Human Resources. Since January 1, 2001, I have served as the President and Chief Executive Officer for Mobex. As such, I have personal knowledge of the facts and matters set forth in this declaration. If called upon to testify regarding the following facts, I could and would competently do so.

2. Founded in 1995, Mobex Communications, Inc. is a telecommunication services company providing wireless communication systems and services for businesses around the world. It currently owns and operates several related lines of business, including wireless voice and data services provided to customers for a monthly fee on Mobex's 217-219 MHz licenses. Mobex holds these licenses, known as AMTS licenses, in 80 of the top 100 markets today, including New York, Los Angeles and Chicago.

3. In addition to serving land-based customers, Mobex serves close to 1,000 towboats as they ply the Mississippi River and its tributaries, and the Gulf of Mexico. This service consists of wireless voice and data communications using our AMTS licenses. Mobex generated over $5 Million in revenue on an annual basis from this towboat service.

4. In May 2001, a wholly-owned affiliate of Nextel Communications, Inc. invested $15 Million for 15% of the subsidiary that holds these AMTS licenses; Mobex retained the other 85% of that entity.

5. Mobex also owns 100% of an engineering company, known as Mobex Managed Services Company ("MMSC"); MMSC performs telecommunications integration and service work for public safety and commercial carriers. For example, MMSC worked to restore communications at Ground Zero in New York for both Verizon and AT&T Wireless. In the year 2000, MMSC generated approximately $12.5 Million in revenues.

6. In addition, Mobex owns 28 communications towers and its AMTS subsidiary owns 50 communications towers located around the country. These 78 towers generate approximately $1 Million in annual revenues for Mobex.

7. In May 2001, Mobex requested Plaintiff Sarina, as the Company's Chief Financial Officer, to calculate the amount of net proceeds of Mobex so that the Company would be able to determine the bonuses to be paid to Plaintiffs under the Retention and Equity Program.

8. Plaintiff Sarina advised me that the net proceeds amount used to calculate the retained proceeds bonuses was the same amount used to calculate the distributed proceeds bonus.

9. On May 30, 2001, in response to my request for a copy of Plaintiff Michael Sarina's calculations of the net sales proceeds for purposes of calculating the bonuses under the Retention and Equity Program, I received an email from Plaintiff Michael Sarina acknowledging that the Retention and Equity Participation Program did not require the net sale proceeds to be distributed by a specific date in order for the Distributed Proceeds Bonus to apply. Instead, expressly noted in Plaintiff Sarina's email, the Program gave Mobex the discretion to determine which of the two types of bonuses would be payable to Plaintiffs. Attached hereto as Exhibit A is a true and correct copy of Plaintiff Sarina's May 30, 2001 email.

10. Mobex primarily relied on the calculations provided by Plaintiff Sarina to determine the amount of the bonuses to be paid to Plaintiffs. However, those calculations were not updated to reflect the fact that a portion of the purchase price from CTA LLC had been returned to CTA LLC in a July 2001 settlement agreement in which Plaintiff Sarina actively participated as a consultant on behalf of Mobex. Thus, Mobex gave Plaintiffs the benefit of the lost CTA LLC purchase price consideration when Mobex sent its election notice to Plaintiffs in August 2001.

11. Attached hereto as Exhibit B is a true and correct copy of Plaintiff Sarina's May 31, 2001 memorandum in which he again acknowledges that the Program gave Mobex the discretion to determine which of two types of bonuses would be payable to Plaintiffs and when such payments would be made.

12. I have been a member of Mobex's Board of Directors since September 10, 2001, but have never served on its Compensation Committee. The Compensation Committee has the final and ultimate authority in determining the merit target bonuses for those employees who are eligible to receive such bonuses.

13. While I did provide feedback to the Compensation Committee as to the work performances of Plaintiffs Willard Greene, Michael Sarina and Garrison Macri, I did not determine who would receive merit target bonuses or the amounts that employees would receive, nor was I authorized to make those determinations. Those decisions were the

exclusive responsibility of the Compensation Committee.

14. Plaintiff Willard Greene worked at Mobex from early May 1998 until his resignation on January 31, 2001, and thus completed two full years of service for Mobex. Plaintiff Michael Sarina worked at Mobex from February 2000 until his resignation on April 30, 2001, and thus completed one full year of service for Mobex. Plaintiff Garrison Macri worked at Mobex from January 19, 1998 until his resignation on April 30, 2001, and thus completed three full years of service for Mobex.

15. In accordance with Section 3.4.2 of their employment agreements, Plaintiffs were only eligible to receive special change of control severance payments if their terminations were without cause within one month prior to a change of control or within thirteen months following a change of control. A change of control was defined under Plaintiffs' employment agreement to mean one or more of the following:

(i) a merger or combination of the Employer with another corporation,

(ii) the sale of a majority of the outstanding shares of the capital stock of the Company to one or more persons or entities not affiliated with Mobex except in the case of an equity investment in Mobex or spin-off of its business in which Mobex retains control of the spin-off business, or

(iii) the sale of more than one-half of Mobex's assets to one ore more persons or entities not affiliated with Mobex.

16. No change of control occurred during the relevant time period which would have triggered Plaintiff Greene's eligibility for special change of control severance payments. Plaintiff Greene left Mobex on January 31, 2001, and the alleged triggering event, – the Nextel partial closing of the Asset Purchase Agreement occurred on May 1, 2001 – more than three months later. Thus, even if Plaintiff Greene were correct, for argument's sake, in his contention that the May 1, 2001 partial closing was a change of control, it was outside the one month time frame called for in his employment agreement. As such, in accordance with Section 3.4.1 of his employment agreement, Mobex paid Plaintiff Greene basic severance payments totaling six months of salary payments plus two

additional months of continued salary payments for his two full years of their service with Mobex. Plaintiff Greene thus received a total of eight months' basic severance pay from February 1, 2001 through September 30, 2001.

17. No change of control occurred during the relevant time period which would have triggered Plaintiff Macri or Sarina's eligibility for special change of control severance payments. Plaintiffs Macri and Sarina left Mobex on April 30, 2001, one day before the partial closing of the Nextel Asset Purchase Agreement and the simultaneous investment of $15 Million by Nextel into Mobex's AMTS subsidiary. As Vice Presidents and as our CFO, Plaintiffs Macri and Sarina were well aware of the amounts being sold and the assets being retained, and they agreed that no change of control would result because Mobex still owns today its AMTS licenses in 80 of the top 100 markets, as well as 78 towers, a thriving towboat communications business, and its engineering division, MMSC.

18. In fact, Plaintiff Macri himself acknowledged that no change of control occurred and that he was entitled to exactly nine months of severance pay. Attached hereto as Exhibit C is a true and correct copy of the April 5, 2001 letter setting forth the agreement of Mobex and Plaintiff Macri as to the terms of his separation from Mobex. Since the parties agreed that no change of control occurred, Mobex paid Plaintiff Macri his basic severance payments in accordance with Section 3.4.1 of his employment agreement and his separation agreement. As such, Mobex paid Plaintiff Macri basic severance payments totaling six months of salary payments plus three additional months of continued salary payments for his three full years of service with Mobex. Plaintiff Macri thus received a total of nine months' basic severance pay from May 1, 2001 to January 31, 2002.

19. Attached as Exhibit D is a true and correct copy of the April 5, 2001 letter setting forth the agreement of Mobex and Plaintiff Sarina as to the terms of his separation from Mobex. Plaintiff Sarina directly informed me that he agreed to the terms set forth in the April 5, 2001 letter and that he would execute the agreement prior to his departure. In accordance with the terms of his separation agreement, Plaintiff Sarina subsequently served in a consulting role for the Company for the next three months.

20. Since no change of control occurred during the requisite time period, Mobex paid Plaintiff Sarina his basic severance payments in accordance with Section 3.4.1 of his employment agreement and his separation agreement. As such, Mobex paid Plaintiff Sarina basic severance payments totaling six months of salary payments plus one additional month of continued salary payments for his one full year of service with Mobex. Plaintiff Sarina thus received a total of seven months' basic severance pay from May 1, 2001 to November 1, 2001.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed on this 24th day of January, 2002 in Alexandria, Virginia.

JOHN REARDON